GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:5778
ANSWERED ON:17.05.2007
AUTOMOBILE PLANTS IN TAMIL NADU
Appadurai Shri M.

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the actual share of Tamil Nadu in production of Two wheelers and Four wheelers during each of the last three years;

(b) whether the share of Tamil Nadu is gradually decreasing when compared to Haryana or Maharashtra;

(c) if so, the reasons therefor;

(d) whether the Union Government has received several proposals from Foreign Automobile Manufacturers to set up new plants in Tamil Nadu;

(e) if so, the number of applications cleared during each of the last three years and the number of proposals pending with Union Government; and

(f) the steps taken/proposed to be taken by the Government for speedy clearance of the above pending proposal?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SMT. KANTI SINGH)

(a) : According to Society of Indian Automobile Manufacturers (SIAM), the share of Tamil Nadu in production of two wheelers and four wheelers during last three years is as under:-

STATE CONTRIBUTION IN TOTAL PRODUCTION (IN PERCENTAGE)

State	Category	2004-05	2005-06	2006-07
Tamil Nadu	Four Wheelers	20.11	21.64	21.95
	Two Wheelers	18.22	18.36	18.31
Haryana	Four Wheelers	34.56	33.65	32.30
	Two Wheelers	48.66	47.48	48.80
Maharashtra	Four Wheelers	35.66	35.66	36.76
	Two Wheelers	8.54	7.97	8.99

(b) & (c): As per the above figures, Tamil Nadu's share in total production of four wheelers which was 20.11% and two wheelers which was 18.22% in 2004-05 have increased to 21.95% and 18.31% respectively in 2006-07.

(d) to (f): According to Department of Industrial Policy and Promotion, at present the Foreign Direct Investment upto 100% is allowed under the automatic route in the manufacturing of automobiles. As such, entrepreneurs/investors are not required to obtain any Government approval in this regard. According to SIAM, existing companies like Hyundai Motor India and new companies like BMW and Mahindra-Renault-Nissan are likely to expand or create capacity in Tamil Nadu.